



22 December 2011

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Australian Securities Exchange Limited
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RE: Leighton Offshore establishes new engineering business in Malaysia

Please find attached a copy of a media release to be issued today by Leighton Holdings Limited.

Yours faithfully,

A.J. MOIR
Company Secretary

22 December 2011 Leighton Offshore establishes new engineering business in Malaysia

Leighton Offshore, a wholly owned subsidiary of Leighton Holdings Limited, has established a new engineering business, Leighton Engineering in Malaysia.

Leighton Engineering will provide Leighton Offshore, the Leighton Group's international offshore oil and gas business, with engineering and project management contracting solutions.

Leighton Engineering was born out of the former oil and gas engineering consulting business of DPS Bristol (Malaysia) Sdn Bhd, which has been acquired by Leighton Offshore. The business has around 100 engineering and professional staff based in Kuala Lumpur, Malaysia.

Chief Executive Officer, Mr Hamish Tyrwhitt, said that bringing engineering solutions in-house is an important strategic initiative to better manage project execution risk.

"This also supports our strategy of exporting our core engineering and construction competencies into the growth markets of Asia and the Middle East. By extending the construction offering of Leighton Offshore with an engineering capability we are able to offer a more integrated solution for the large oil and gas companies who value those services," he said.

"Malaysia has a competitive engineering cost base for engineering, as well as a strong talent base for oil and gas engineers, and will become a centre of excellence for engineering services for Leighton Offshore," said Mr Tyrwhitt.

Leighton Engineering has already been awarded its first contract. Worth approximately \$US10 million, the contract is for the detailed engineering of two offshore platforms on the \$US518 million Sealine Project for Iraq's South Oil Company.

The Leighton Engineering team will also assist with the procurement and follow on engineering for the two platforms.

The Sealine project involves the design, construction and installation of two offshore platforms, a 75 kilometer long, 1.2 metre diameter oil pipeline and a single point mooring system. This work follows on from the US\$800 million Iraq Crude Oil Export Expansion Project currently being undertaken by Leighton Offshore.

ENDS

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LEIGHTON HOLDINGS LIMITED, founded in Australia in 1949, is the parent company of the Leighton Group, one of the world's leading international contractors. The Group is also the world's largest contract miner. Listed on the Australian Stock Exchange since 1962, Leighton Holdings is a top 40 company by market capitalisation and has its head office in Sydney, Australia. Leighton Holdings owns and operates through a number of diverse and independent operating companies: Leighton Contractors, Thiess, John Holland, Habtoor Leighton Group, Leighton Africa, Leighton Asia, Leighton Welspun India, Leighton Offshore and Leighton Properties. These operating companies provide development, construction, contract mining, and operation and maintenance services to the infrastructure, resources and property markets. They operate in more than 20 countries throughout Australia, Asia, the Middle East and Africa from headquarters in Australia, Hong Kong and Dubai. These operating companies directly employ more than 50,000 employees and each function autonomously with its own Board and Managing Director.